

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**CORRECTED  
FISCAL MEMORANDUM**

**HB 544 – SB 544**

March 16, 2015

**SUMMARY OF ORIGINAL BILL:** Enacts the Senior General Sessions and Juvenile Judge Enabling Act.

Creates a program (senior judges program) within the Administrative Office of the Courts (AOC) where judges with at least six years of experience as a general sessions judge or juvenile judge may request to be designated as a senior general sessions judge or senior juvenile judge. The judge shall file an application with the AOC agreeing to be available to sit as a judge for 30 weeks out of each successive 12-month period. The judge must take an oath and agree to abide by the code of judicial conduct.

A judge shall be designated as a senior judge for a period of two years, renewable at the discretion of the Supreme Court.

When a senior judge is needed the Supreme Court shall issue an order assigning a senior judge to a court for a specified duration. The senior judge shall be paid \$100 per hour the senior judge appears in court. Senior judges will also receive travel reimbursement if they travel outside of their county of residence to serve as a senior judge.

The bill creates a dedicated revenue source for the purposes of administering the senior judges program and paying the senior judges for their service. The AOC shall manage the funds received from the dedicated revenue source and shall administer the senior judges program.

The bill adds \$1.00 to the electronic citation fee found in Tenn. Code Ann. § 55-10-207(e)(1). The \$1.00 shall be collected by the clerk and transmitted to the AOC. The AOC is entitled to 10 percent of the revenue generated to partially offset the cost of the senior judges program.

Requires local county or municipal governments to provide office space and personnel to the senior judges.

**FISCAL IMPACT OF ORIGINAL BILL:**

Other Fiscal Impact – The electronic citation fee under Tenn. Code Ann. § 55-10-207(e)(1) has yet to generate any revenue, but it is assumed that there will be revenue generated in subsequent fiscal years. Until such revenues are generated, no funds exist to fund the Senior General Sessions and Juvenile Judge Enabling Act. Further, based on the estimates in the fiscal note for Public Chapter 750 of 2014, the dedicated revenue source may generate approximately \$70,000 for the program which is not enough to fully offset the

\$155,071 in expenses of the senior judges program. An additional funding of at least \$7,000 will be necessary to cover the administrative expenses of the senior judges program. It is assumed that once the dedicated revenue source does generate revenue, the AOC will expend all of the funds to pay senior judges and there will be no ending balance at the end of each fiscal year.

**SUMMARY OF AMENDMENT (003739):** Deletes Section 5 of the bill establishing the funding for the Senior General Sessions and Juvenile Judge program.

Adds a \$1.00 fee to all traffic citations resulting in a conviction, guilty plea, or plea of nolo contendere. The fee shall be remitted monthly to the Administrative Office of the Courts (AOC) to pay for implementation of the Senior General Sessions and Juvenile Judge Enabling Act of 2015. The AOC shall use 10 percent of the funds to partially offset the expenses in administering the act.

### **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

On March 9, 2015, fiscal memorandum was issued estimating the fiscal impact as follows:

Other Fiscal Impact – The bill establishes the Senior General Sessions and Juvenile Judge Enabling Act. The bill establishes a dedicated revenue source to fund the program. The estimated \$147,600 of revenue generated each year will not be enough to fully fund the program. It will generate enough funds to hire a part-time employee to administer the program, but will not meet the expected need of the program. It is assumed that the AOC will expend all of the funds to pay senior judges and there will be no ending balance at the end of each fiscal year.

Upon review, the estimated fiscal impact is:

**(CORRECTED)**

**Other Fiscal Impact – The bill establishes the Senior General Sessions and Juvenile Judge Enabling Act. The bill establishes a dedicated revenue source to fund the program. The estimated \$147,600 of revenue generated each year will generate enough funds to hire a part-time employee to administer the program, and will pay for approximately 1,328 hours for senior judges. It is assumed that the AOC will expend all of the funds to pay senior judges and there will be no ending balance at the end of each fiscal year.**

Assumptions for the bill as amended:

- Under current law, if a judge needs to be absent from court, the judge may seek a special judge to sit. The judge must first seek to find another judge to sit by interchange pursuant to Tenn. Code Ann. § 17-2-208. If the judge is unsuccessful, then the judge may ask the AOC for assistance in finding a special judge. If all else fails, then the judge may appoint a lawyer to sit with limitations.

- The bill would give the judge a fourth option. If interchange is unsuccessful, then the judge may seek to have a senior judge appointed.
- The AOC reports that it receives approximately 231 requests for designations each year. Approximately 200 of these would be filled by senior judges under the bill. It is assumed that each judge would sit for four hours each day. The AOC also reports that it has no data on the number of judges who sit by interchange, but it is assumed that the number of judges sitting by interchange will reduce and demand on the senior judges program will be greater than the current demand on special judges designated by the AOC. It is assumed that 350 requests for senior judges will be made each year.
- It is assumed that demand on the program would be approximately \$140,000 (350 judges x 4 hours x \$100 per hour).
- The AOC will need to hire a part-time employee to administer the program. This person would organize the senior judges' applications, the supreme court orders assigning a senior judge, and perform other administrative tasks. The part-time employee would receive a salary of \$14,000. The total cost for the part-time employee will be \$15,071 [\$14,000 salary + (\$14,000 x .0765) FICA].
- The total demand on the senior judges program will be approximately \$155,071 (\$140,000 + \$15,071).
- The dedicated revenue source will come from the additional traffic citation fee in Tenn. Code Ann. § 55-10-207 established by the bill. The bill adds \$1.00 to the fee.
- Data from the Department of Revenue shows collections under Title 55, Chapter 8 in 2014 were \$127,631. It is assumed that the \$1.00 fee added by the bill would similarly collect \$127,600 in revenue for these violations. The \$1.00 fee established by the bill would also apply to traffic citations under Title 55, Chapter 9, which includes citations for broken taillights, seat belt violations, and other traffic related citations. It is assumed that the \$1.00 fee on these citations would generate approximately \$20,000 in revenue for the senior judges program.
- It is assumed that the \$1.00 fee established by the bill will generate approximately \$147,600 in annual revenue for the senior judges program.
- The AOC will be authorized to use \$14,760 to pay for a part-time employee to administer the program. It is assumed that this will adequately fund the administration of the senior judges program.
- The bill mandates that the judges be paid from the dedicated revenue source. The senior judges program will not incur any expenses until such time that enough revenue has been generated to pay senior judges for their service.
- It is assumed that the AOC will spend the remaining \$132,840 will be spent by the AOC each fiscal year to compensate senior judges for approximately 1,328 hours.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Jeffrey L. Spalding, Executive Director

/trm